

AMENDED IN SENATE MAY 29, 2007

AMENDED IN ASSEMBLY MARCH 27, 2007

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

ASSEMBLY BILL

No. 709

Introduced by Assembly Member Keene

February 22, 2007

An act to add Section 11329 to the Business and Professions Code, relating to real estate.

LEGISLATIVE COUNSEL'S DIGEST

AB 709, as amended, Keene. Real estate appraisers.

Existing law, the federal Financial ~~Institution~~ *Institutions* Reform, Recovery and Enforcement Act of 1989, prohibits the criteria established by the federal financial institutions regulatory agencies, among other organizations, from excluding a certified or licensed appraiser for consideration for an assignment solely by virtue of membership or lack of membership in any appraisal organization.

Existing law, the Real Estate Appraisers' Licensing and Certification Law, provides for the licensure and regulation of real estate appraisers *and vests the duty of enforcing and administering that law in the Director of the Office of Real Estate Appraisers*.

This bill would provide that when a public agency, including, but not limited to, a city or county, decides that a contract with a designated member of an appraisal organization is necessary to provide an appraisal, *as defined*, of real property, any designated member of any appraisal organization that is a member of the Appraisal Foundation shall be allowed to submit a proposal if specified criteria are met. *The bill would authorize that member to bring a civil action against a public agency*

that violates this provision, as specified, and would prohibit the office from participating in that action. The bill would also prohibit construing the Real Estate Appraisers' Licensing and Certification Law to require or authorize the office or the director to enforce this provision.

By requiring a city or county, among others, to allow those *specified* members to submit a proposal, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 11329 is added to the Business and
- 2 Professions Code, to read:
- 3 11329. (a) Notwithstanding any other provision of law, when
- 4 a public agency decides that a contract with a designated member
- 5 of an appraisal organization is necessary to provide an appraisal
- 6 of real property, any designated member of any appraisal
- 7 organization that is a member of the Appraisal Foundation shall
- 8 be allowed to submit a proposal if both of the following
- 9 requirements are met:
- 10 (1) The member has at least five years of experience as a
- 11 licensed appraiser at a certified level. A member with a license at
- 12 a certified level issued by another state shall obtain a reciprocal
- 13 license at a certified level pursuant to the regulations adopted by
- 14 the director.
- 15 (2) The appraisal is performed pursuant to the Uniform
- 16 Standards of Professional Appraisal Practice.
- 17 (b) *A designated member of an appraisal organization that is*
- 18 *a member of the Appraisal Foundation who meets the requirements*
- 19 *of subdivision (a) but is not allowed to submit a proposal in*
- 20 *violation of this section may bring a civil action against the public*

1 *agency that committed the violation. The office shall not participate*
2 *in an action brought pursuant to this subdivision.*

3 ~~(b)~~

4 (c) For purposes of this section, ~~“public~~ *the following terms*
5 *shall have the following meanings:*

6 (1) *“Appraisal” means a written estimate of value based upon*
7 *the assembling, analyzing, and reconciling of facts and value*
8 *indicators for the real property in question.*

9 (2) *“Public agency” means the state or any city, county, city*
10 *and county, district, or other local authority or public body of or*
11 *within the state.*

12 (d) *Nothing in this part shall be construed to authorize or*
13 *require the office or the director to enforce this section.*

14 SEC. 2. If the Commission on State Mandates determines that
15 this act contains costs mandated by the state, reimbursement to
16 local agencies and school districts for those costs shall be made
17 pursuant to Part 7 (commencing with Section 17500) of Division
18 4 of Title 2 of the Government Code.